



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

August 03, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#23 AUGUST 3, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

AMENDMENT 11 OF CONTRACT FOR HAHN'S TROLLEY AND SHUTTLE SERVICE IN THE UNINCORPORATED AREA OF WILLOWBROOK (SUPERVISORIAL DISTRICT 2) (3 VOTES)

SUBJECT

This action is to amend a contract for Hahn's Trolley and Shuttle Service in the unincorporated area of Willowbrook to reduce the number of vehicles from a total of five to three vehicles for all three routes, which results in a reduction of service hours by more than 20 percent.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the service continues to be statutorily exempt from the provisions of the California Environmental Quality Act.
2. Find that this service continues to be more economically performed by an independent contractor than by County of Los Angeles employees.
3. Approve Amendment 11 to Contract No. 71937 with Watts Labor Community Action Committee for Hahn's Trolley and Shuttle Service to reduce the number of vehicles from a total of five to three vehicles for all three routes, which will result in a reduction of service hours by more than 20 percent decreasing the annual contract amount from \$924,000 to \$742,600, which includes \$75,000 for major vehicle repair cost to County provided service vehicles, if required, effective September 1, 2010.
4. Authorize the Director of Public Works or her designee to increase the contract amount up to an

additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required.

5. Authorize the Director of Public Works or her designee to execute the amendment upon proper execution by the contractor and approval as to form by County Counsel; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

This amendment is required to continue the operation of the fixed-route transit service, Hahn's Trolley and Shuttle Service, within the unincorporated area of Willowbrook, with a reduced number of vehicles from a total of five to three vehicles for all three routes, which will result in a reduction of service hours by more than 20 percent at a new negotiated service rate. The existing Hahn's Trolley and Shuttle Service routes were designed and implemented over two decades ago. A recent analysis revealed that service can be provided more efficiently with fewer vehicles and modified routes without having a significant impact to patrons.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). Having a contractor that has the specialized expertise to provide these services accurately, efficiently, timely, responsively, and in a cost effective manner will support the Department of Public Works (Public Works) in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

Based on the contractor's rate, the annual contract amount is decreased by \$181,400 (prorated for the remaining nine months of the current term) for the current and final contract year and will decrease the annual contract amount from \$924,000 to \$742,600, which includes \$75,000 for major repairs (e.g., transmission or engine) to County provided service vehicles, if required, plus 10 percent for unforeseen, additional work within the scope of work of the contract, if required.

Funding for the amended contract and 10 percent contingencies is available from farebox revenue and the Second Supervisorial District's Proposition A Local Return Transit Program included in the Fiscal Year 2010-11 Transit Enterprise Fund Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 8, 1998, your Board approved Contract No. 71937 with Watts Labor Community Action Committee for the operation and management of the Hahn's Trolley and Shuttle Service to provide fixed-route transit service to patrons of the unincorporated area of Willowbrook. The contract

was for an initial three-year period with two 1-year renewal options beginning October 1, 1998.

On September 9, 2003, Agenda Item 32, your Board approved an extension of this contract for up to six months starting October 1, 2003, to allow Public Works to complete the solicitation process for a replacement contract. Proposals were received; however, all proposals were rejected. On March 16, 2004, Agenda Item 48, your Board approved an extension of this contract for up to nine months from April 1, 2004, to December 31, 2004.

Public Works conducted community meetings and revised the scope of work to expand the service by adding a fourth route. Due to the extensive community input regarding the additional route, on December 7, 2004, Agenda Item 33, your Board approved an extension of this contract for an additional nine months from January 1, 2005, to September 30, 2005. The process to add the new route into the revised scope of work had taken longer than anticipated. On September 6, 2005, Agenda Item 43, your Board approved an extension of this contract for an additional nine months from October 1, 2005, to June 30, 2006.

During the nine-month period, the proposed scope of work was further modified to specify that the contractor would be required to provide three themed trolleys and three shuttle vehicles for the new service as the County-owned vehicles were scheduled to be retrofitted or retired from service due to their age. On June 13, 2006, Agenda Item 47, your Board approved an extension of this contract for an additional 11 months from July 1, 2006, to May 31, 2007. A new Request for Proposals was released on October 23, 2006. Four proposals were received on December 4, 2006.

All four proposals failed some portion of the initial screening. As a result, all proposals were rejected. A revised Request for Proposals was released on March 19, 2007. On May 15, 2007, Agenda Item 43, your Board approved an extension of this contract for an additional six months from June 1, 2007, to November 30, 2007.

Three responsive proposals were received on June 18, 2007. On November 6, 2007, Agenda Item 33, your Board approved an extension of this contract for an additional six months from December 1, 2007, to May 31, 2008.

The solicitation process was cancelled to provide Public Works time to evaluate combining the Hahn's Trolley and Shuttle Service with the Rosewood Smart Shuttle Service, which was implemented as a two-year pilot project in June 2008. On April 15, 2008, Agenda Item 39, your Board approved a month to month extension of this contract for an additional 36 months from June 1, 2008, to May 31, 2011, to create and evaluate the feasibility of combining these shuttle services and allow for the preparation of a new solicitation.

This amendment will allow the continuation of the fixed-route transit service, Hahn's Trolley and Shuttle Service, within the unincorporated area of Willowbrook, with a reduced number of vehicles from a total of five to three vehicles for all three routes resulting in a reduction of service hours by more than 20 percent at a new negotiated service rate, commencing on September 1, 2010, with an annual contract amount of \$742,600, which includes \$75,000 for major repairs (e.g., transmission or engine) to County-provided service vehicles, if required.

Prior to the Director of Public Works or her designee executing the amendment, which will be substantially similar to the enclosed form (Enclosure), the contractor will sign and County Counsel will approve as to form.

This Proposition A contract does not allow for a cost-of-living adjustment for the duration of this

extension. However, an adjustment is included in the contract amount for fuel cost adjustments in accordance with Amendment 8.

Since this is a Proposition A contract, Public Works has evaluated and determined that the contractor is a nonprofit 501(c)3 organization and will be exempt from the Living Wage Program.

Using methodology approved by the Auditor-Controller, Proposition A cost analysis indicates that the amended services can be performed more economically by the private sector.

ENVIRONMENTAL DOCUMENTATION

This service is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 21080(b)(10) of the Public Resources Code. This exemption provides for the implementation of passenger or commuter transit services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the amendment will continue the current contract services and will not result in the displacement of any County employees since this service is currently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this letter to Public Works, Administrative Services.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The signature is written in a cursive, flowing style.

GAIL FARBER
Director

GF:GZ:cg

Enclosures

c: Chief Executive Office
County Counsel
Executive Office
Office of Affirmative Action Compliance (w/o
enc.)

AMENDMENT 11 TO CONTRACT NO. 71937

HAHN'S TROLLEY AND SHUTTLE SERVICE

THIS AMENDMENT, made and entered into this ____ day of _____, 2010, by and between the COUNTY OF LOS ANGELES, a political subdivision of the State of California (hereinafter referred to as COUNTY), and the WATTS LABOR COMMUNITY ACTION COMMITTEE, a nonprofit corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

WHEREAS, Contract No. 71937 was entered into between the COUNTY and the CONTRACTOR on September 8, 1998, to provide the fixed-route transit service for patrons of the unincorporated area of Willowbrook (hereinafter referred to as SERVICE). The contract was for an initial three-year period with two 1-year renewal options commencing on October 1, 1998; and

WHEREAS, the FIRST Amendment to Contract No. 71937 was entered into on September 4, 2001, to include the Los Angeles County Living Wage Ordinance and other adopted contract policies and to exercise the County's option to extend the option terms of Service under the Contract from September 1, 2001, to September 30, 2002, and from October 1, 2002, to September 30, 2003; and

WHEREAS, the SECOND Amendment was entered into on September 9, 2003, to extend the contract for six months starting October 1, 2003, to March 31, 2004, to allow Public Works to complete the solicitation process for a replacement contract. Proposals were received; however, all proposals were rejected; and

WHEREAS, there was no THIRD Amendment to Contract No. 71937 due to an error in numbering; and

WHEREAS, the FOURTH Amendment was entered into on April 1, 2004, to extend the contract for nine months from April 1, 2004, to December 31, 2004. Public Works conducted community meetings and revised the scope of work to expand the service by adding a fourth route; and

WHEREAS, the FIFTH Amendment was entered into on January 1, 2005, to extend the contract for nine months from January 1, 2005, to September 30, 2005, due to the extensive community input regarding the additional route; and

WHEREAS, the SIXTH Amendment was entered into on September 27, 2005, to extend the contract for nine months from October 1, 2005, to June 30, 2006, in order to further modify the scope of work; and

WHEREAS, the SEVENTH Amendment was entered into on June 13, 2006, to extend the contract for 11 months from July 1, 2006, to May 31, 2007. A new Request for Proposals was released on October 23, 2006. Four proposals were received on December 4, 2006. All four proposals failed some portion of the initial screening; and

WHEREAS, the EIGHTH Amendment was entered into on May 15, 2007, to extend the contract for six months from June 1, 2007, to November 30, 2007, to complete the solicitation process; and

WHEREAS, the NINTH Amendment was entered into on November 6, 2007, to extend the contract for six months from December 1, 2007, to May 31, 2008; and

WHEREAS, the TENTH Amendment to Contract No. 71937 was entered into on April 15, 2008, to extend the Contract on a month-to-month basis for 36 months from June 1, 2008, to May 31, 2011, to allow the time required to assess a pilot program combining the Hahn's Trolley and Shuttle Service with the Rosewood Smart Shuttle Service and to allow for the preparation of a new solicitation; and

WHEREAS, the County of Los Angeles Board of Supervisors authorized the Director of Public Works to approve and execute amendments to this Contract, which incorporate necessary changes within the scope of work; and

WHEREAS, the COUNTY desires to amend this Contract to reduce the number of vehicles from a total of five to three vehicles for all three routes, which results in a reduction of service hours by more than 20 percent;

WHEREAS, Section 5 of the Contract states that if the number of scheduled revenue service hours are increased or decreased in excess of 20 percent, CONTRACTOR'S compensation rate will be negotiated based on demonstrable changes on the number or scheduled revenue service hours; and

WHEREAS, the CONTRACTOR is willing to continue to provide these services under the Contract's existing terms and conditions as amended by this AMENDMENT at new negotiated rates as indicated in Attachment 1, Form PW-2, Schedule of Prices (Amendment 11 to Contract No. 71937).

NOW, THEREFORE, in consideration of these facts and payment to be made by the COUNTY, the COUNTY, and the CONTRACTOR agree that Contract No. 71937 between them shall be amended as follows:

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FIRST: Contract, Section 6, Equipment, Paragraph A.1, Revenue Vehicles, is hereby deleted in its entirety and replaced with the following:

A. Transit Vehicles

1. Revenue Vehicles

SERVICE shall be provided by the Contractor using County-provided vehicles. County will lease to Contractor four or more transit vehicles (L-150, L-151, L-312, and L-313) as described in Attachment 3, Appendix B, County-provided Vehicles. The County-provided Vehicles may be leased to the Contractor at the rate of \$1 per month. Upon receiving County-provided Vehicles, Contractor shall be responsible for the operation and maintenance of the vehicles, and for all costs for insurance, servicing, and storage.

SECOND: Contract, Section 9, Rates, Compensation, Pass-Through Costs, Subsection A, Rates, is hereby deleted in its entirety and replaced with the following:

A. Rates

Starting on September 1, 2010, there will be two new service hourly rates used for the Hahn's Trolley and Shuttle Service. The rate for County-provided Vehicles will be \$52.84, and the rate for Contractor-provided Vehicles will be \$59.46 as provided in Form PW-2, Schedule of Prices (Amendment 11 to Contract No. 71937), Attachment 1. All hourly rates will be charged at the rates provided in Form PW-2.

THIRD: Contract, Section 9, Rates, Compensation, Pass-Through Costs, subsection H, Fuel Cost Adjustment Mechanism, is hereby deleted in its entirety and replaced with the following:

H. Fuel Cost Adjustment

The Director may adjust 10 percent of the hourly rate of compensation set forth in Form PW-2 (Schedule of Prices) based on the increase or decrease in the fuel price published in the Official Energy Statists from the United States Department of Energy website at http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm for Diesel (On-Highway) and Gasoline – All Grades (Regular) for California, and at http://tonto.eia.doe.gov/dnav/pet/pet_pri_prop_dcu_r50_m.htm for Propane (LPG) using West Coast (PADD 5) Commercial/Institutional, as appropriate to the vehicle used, beginning on the month of this Amendment's start date and thereafter at each successive one month interval, which shall be the effective date for any such fuel adjustment. The percentage change in the fuel price shall be obtained using the fuel prices published in April 2010 and the fuel price published three months preceding each effective date of the adjustment.

However, when the percentage increase or decrease in the fuel price is less than 5 percent, no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the hourly rate of compensation to establish the adjusted hourly rate of compensation. A sample calculation is included as Appendix G, Sample Calculation of the Fuel Adjustment (Attachment 4). Public Works shall be permitted to audit the Contractor's fuel usage costs and fuel procurement methods for the vehicles to its fuel costs upon the County's request.

FOURTH: Contract is amended to add new Section 54, Compliance with County's Defaulted property Tax, and reads in its entirety as follows:

A. Defaulted Property Tax Reduction Program

This Contract is subject to the provisions of County's ordinance entitled Defaulted Property Tax Reduction Program ("Defaulted Tax Program") as codified in Sections 2.206 of the Los Angeles County Code (Appendix H), see Attachment 5.

B. Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from the County through any contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code, Chapter 2.206.

C. Termination for Breach of Warranty of Compliance with County's Defaulted Property Tax Reduction Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph B, above, shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within ten days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to Los Angeles County Code, Chapter 2.206.

FIFTH: Appendix A, Hahn's Trolley and Shuttle Service Route Descriptions, and Schedules is deleted in its entirety and replaced with a new Appendix A, Service Map and Schedule, see Attachment 2.

SIXTH: Appendix B, Hahn's Trolley and Shuttle Service Vehicles, is deleted in its entirety and replaced with a new Appendix B, County-provided Service Vehicles, see Attachment 3.

SEVENTH: The cost for services performed pursuant to this Contract, as amended, will be in accordance with this Amendment's Form PW-2, Schedule of Prices (Amendment 11 to Contract No. 71937), as reflected in Attachment 1, decreasing this Contract's annual Maximum Contract Sum from \$924,000 per year to \$667,600 plus \$75,000 for major repairs to County-provided Vehicles, if required, for the remainder of the final option year, or such greater amount as the Board may approve (Maximum Contract Sum).

EIGHTH: Except as modified by this AMENDMENT thereto, all other terms, conditions, requirements, and specifications of this Contract and prior amendments shall remain in full force and effect.

[illegible]

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By _____
Deputy

WATTS LABOR COMMUNITY ACTION
COMMITTEE

By _____
Its President

Type or Print Name

By _____
Its Secretary

Type or Print Name

SERVICE MAP AND SCHEDULE

- **ROUTE DESCRIPTIONS**
- **SCHEDULES**
- **TIMED BUS STOP LOCATIONS**
- **SERVICE AREA MAPS**

ROUTE DESCRIPTION AND SCHEDULE

KING MEDICAL CENTER SHUTTLE SERVICE

The following locations will be the designated timed bus stop locations for use in monitoring on-time performance in accordance with the Contract.

The Hahn's Shopping Plaza shall be used as the origination and ending point on the circular King Medical Center Shuttle Service route.

SCHEDULE:

Travels every 20 minutes (One Service Vehicle)

TIMED CHECK POINTS/STOP LOCATIONS MIN AFTER EACH HR:

<u>DIR</u>	<u>ON</u>	<u>AT</u>			
SB	Wilmington Avenue	Hahn's Shopping Plaza	:05	:25	:45
SB	King Medical Center	Main Entrance	:08	:28	:48
SB	Willowbrook Avenue	Metro Rail Line Station	:18	:38	:58
WB	119th Street	Hahn's Shopping Plaza	:20	:40	:00

SB= Southbound

WB= Westbound

Hours of Operation:

From 7 a.m. to 6 p.m., Monday-Friday and Saturday 9 a.m. to 6 p.m.

Service shall not operate on Sundays and the following seven (7) major holidays: New Year's Day; Martin Luther King, Jr. Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. Should one of these holidays fall on a Sunday, service shall operate on a normal schedule on Monday.

ROUTE DESCRIPTIONS AND SCHEDULE

WILLOWBROOK SHUTTLE SERVICE

The following locations will be the designated timed bus stop locations for use in monitoring on-time performance in accordance with the Contract.

The Hahn's Shopping Plaza shall be used as the origination and ending point on the two circular Willowbrook Shuttle Service routes.

SCHEDULE:

Route A travels every 60 minutes (One Service Vehicle)

<u>TIMED CHECK POINTS/STOP LOCATION</u>			<u>MIN AFTER EACH HR:</u>
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<u>DIR</u>	<u>ON</u>	<u>AT</u>	
SB	Wilmington Avenue	Hahn's Shopping Plaza	:00
WB	Compton Avenue	El Segundo Boulevard	:08
NB	Rosecrans Avenue	Avalon Boulevard	:20
NB	Broadway	El Segundo Boulevard	:30
SB	Avalon Boulevard	Metro Rail Green Line	:40
EB	Compton Avenue	120th Street	:47
EB	119th Street	Hahn's Shopping Plaza	:55

NB= Northbound
SB= Southbound
WB= Westbound
EB= Eastbound

Hours of Operation:

From 7 a.m. to 6 p.m., Monday-Friday and Saturday 9 a.m. to 6 p.m.

Service shall not operate on Sundays and the following seven (7) major holidays: New Year's Day; Martin Luther King, Jr. Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. Should one of these holidays fall on a Sunday, service shall operate on a normal schedule on Monday.

SCHEDULE:

Route B travels every 30 minutes (One Service Vehicle)

<u>TIMED CHECK POINTS/STOP LOCATIONS</u>			<u>MIN AFTER EACH HR:</u>	
<u>DIR</u>	<u>ON</u>	<u>AT</u>		
NB	Wilmington Avenue	Hahn's Shopping Plaza	:00	:30
SB	Mona Boulevard	124th Street	:05	:35
WB	Oris Street	Willowbrook Avenue	:10	:40
NB	Wilmington Avenue	El Segundo Boulevard	:15	:45
EB	Compton Avenue	120th Street	:22	:52
EB	119th Street	Hahn's Shopping Plaza	:25	:55

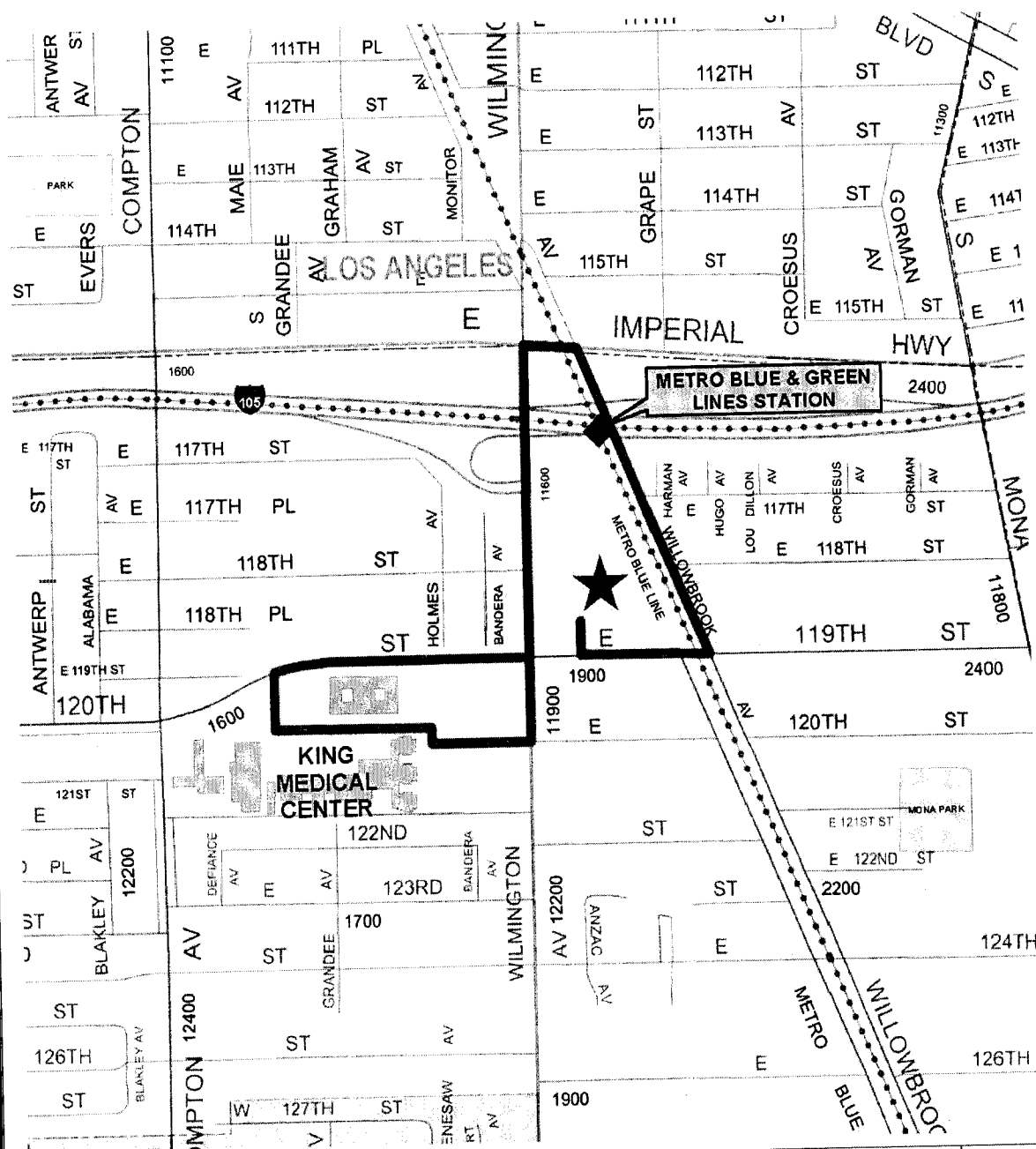
NB= Northbound
 SB= Southbound
 WB= Westbound
 EB= Eastbound

Hours of Operation:

From 7 a.m. to 6 p.m., Monday-Friday and Saturday 9 a.m. to 6 p.m.

Service shall not operate on Sundays and the following seven (7) major holidays: New Year's Day; Martin Luther King, Jr. Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. Should one of these holidays fall on a Sunday, service shall operate on a normal schedule on Monday.

KING MEDICAL CENTER SHUTTLE SERVICE



DEPARTMENT OF PUBLIC WORKS
900 S. Fremont Ave.
Alhambra, CA 91803

Survey/Mapping & Property Management Division
Mapping & GIS Services



KENNETH HAHN PLAZA

SHUTTLE ROUTE



TO PAGE

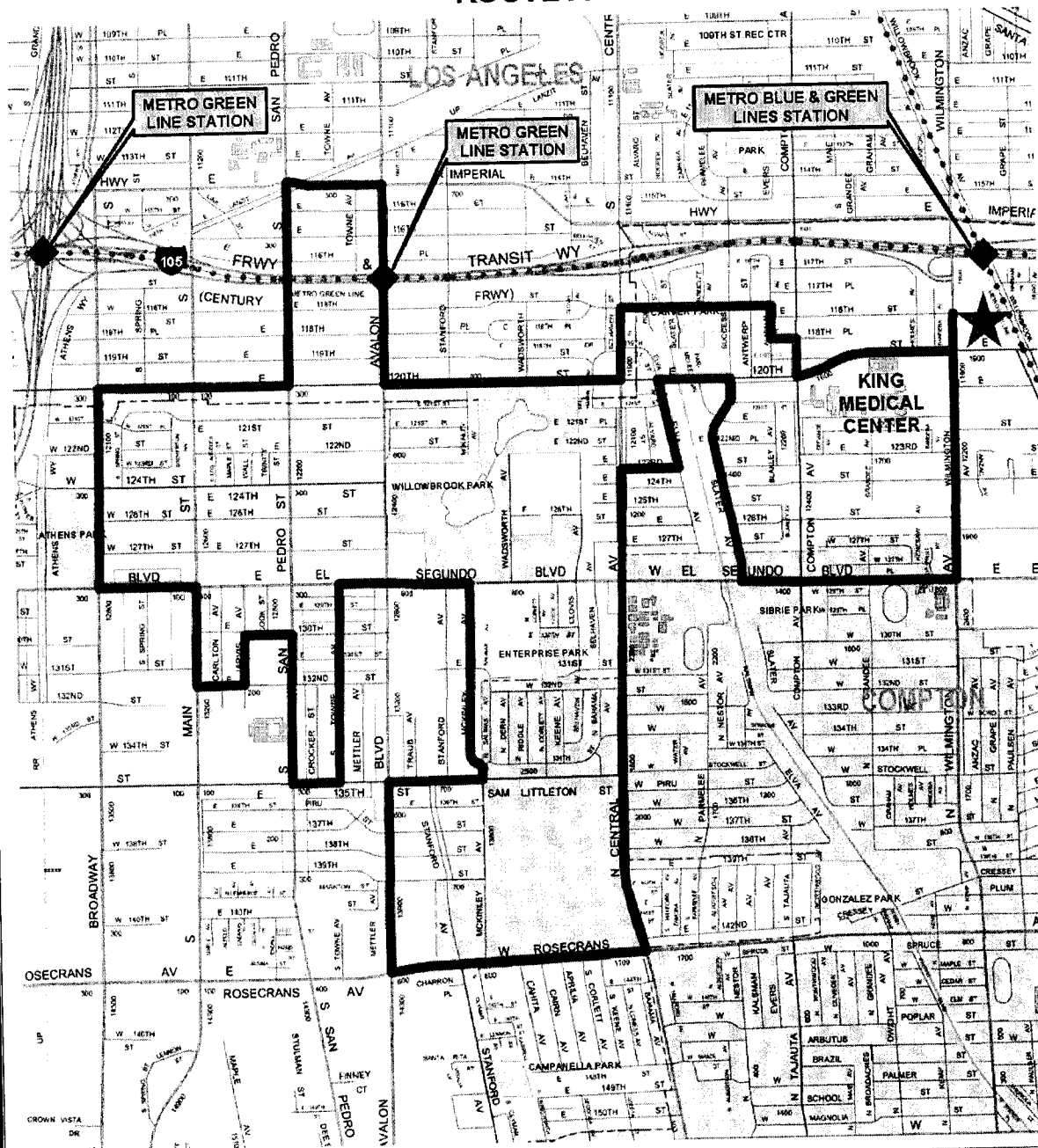
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WILLOWBROOK SHUTTLE SERVICE ROUTE A



DEPARTMENT OF PUBLIC WORKS
900 S. Fremont Ave.
Alhambra, CA 91803

Survey/Mapping & Property Management Division
Mapping & GIS Services



KENNETH HAHN PLAZA

ROUTE A



TG PAGE 706, 73

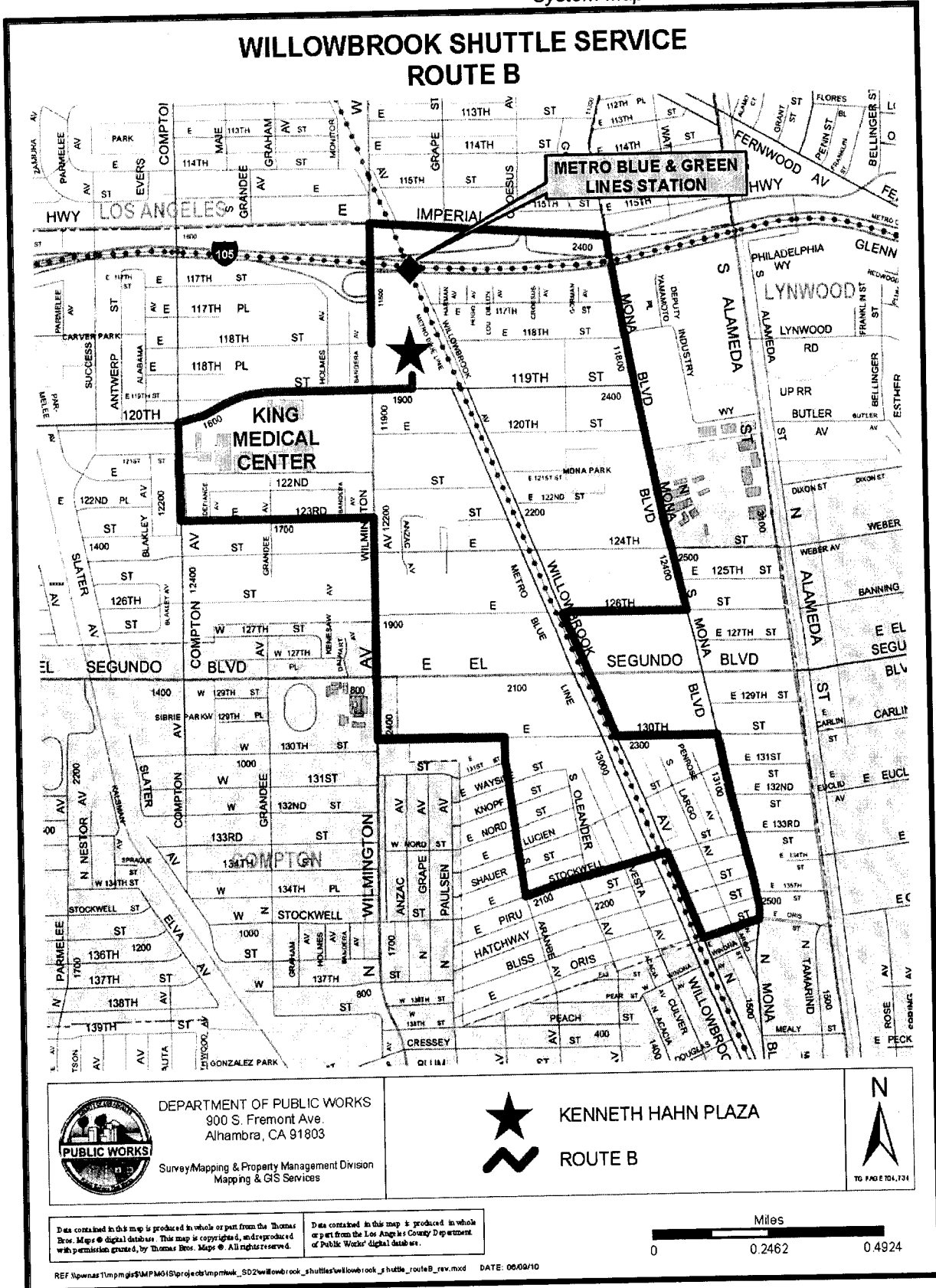
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**WILLOWBROOK SHUTTLE SERVICE
ROUTE B**



COUNTY- PROVIDED SERVICE VEHICLE

County-Provided Service Vehicles

The following County-provided Service Vehicles are leased and assigned to the Hahn's Trolley and Shuttle service:

<u>Fleet No.</u>	<u>Vehicle Type</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Engine Fuel</u>
L-150	Trolley Theme Bus	1991	Ford	3000-T	Diesel
L-151	Trolley Theme Bus	1991	Ford	3000-T	Diesel
L-312	Cutaway Shuttle Bus	2007	Chevy	C4500	Propane
L-313	Cutaway Shuttle Bus	2007	Chevy	C4500	Propane

SAMPLE CALCULATION OF THE FUEL ADJUSTMENT

Sample Calculation of the Fuel Adjustment

Sample Calculations for Purchasing Fuel at Market Prices

Following sample data will be used to calculate sample calculation of fuel adjustment

Hourly Rate from PW-2, Schedule of Prices: \$15.00

Proposal due date: August 2005

Contract start date: July 2006

Fuel Adjustment (FA) Component for Diesel price:

Diesel (On-Highway) - May 2005	245.02 cents per gallon
Diesel (On-Highway) - April 2006	293.23 cents per gallon
Percent change in Diesel (On-Highway)	19.7% increase*

Adjusted Hourly Rate (FA component):
= (10% of hourly rate) x (Percent change in Diesel Price)
= [(10%) x (\$15.00)] x (19.7%)
= (\$1.50) x (19.7%)
= \$0.30 Fuel Adjustment (increase)

Adjusted Hourly Rate for July 2006

\$15.00 + \$0.30 = \$15.30

Sample Calculation for Purchasing Fuel Under Long-Term Fuel Supply Agreement

Following sample data will be used to calculate sample calculation of fuel adjustment

Hourly Rate from PW-2, Schedule of Prices: \$15.00

Proposal due date: August 2005 (Long-Term Fuel Price : \$2.00 per gallon)

Contract start date: July 2006

Renegotiation of Fuel Price: September 2006 (renegotiated price is \$2.25 per gallon)

Fuel Adjustment (FA) Component for Contract price:

August 2005	200.00 cents per gallon
Renegotiated Price in September 2006	225.00 cents per gallon
Percent change in Diesel (long-term price)	12.5% increase*

Adjusted Hourly Rate (FA component):
= (10% of hourly rate) x (Percent change in price)
= [(10%) x (\$15.00)] x (12.5%)
= (\$1.50) x (12.5%)
= \$0.19 Fuel Adjustment (increase)

Adjusted Hourly Rate for September 2006

\$15.00 + \$0.19 = \$15.19

* If the percent increase/decrease is less than 5, no fuel adjustment will be granted.

SAMPLE CALCULATION OF THE FUEL ADJUSTMENT

Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code, Section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code, Section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.

- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement (Ord. No. 2009-0026

§ 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

1. Chief Executive Office delegated authority agreements under \$50,000;
2. A contract where Federal or State law or a condition of a Federal or State program mandates the use of a particular contractor;
3. A purchase made through a State or Federal contract;
4. A contract where State or Federal monies are used to fund service related programs including, but not limited to, voucher programs, foster care, or other social programs that provide immediate direct assistance;
5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension, and/or amendment to the master agreement;
6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process
7. Program agreements that utilize Board of Supervisors' discretionary funds;
8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and intermember with existing supplies, equipment or systems maintained by the County pursuant to the Los Angeles Purchasing Policy and Procedures Manual, Section P-3700, or a successor provision;
10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.6.0, or a successor provision;
11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810, or a successor provision;
12. A nonagreement purchase worth a value of less than \$5,000 pursuant to

Attachment 5
APPENDIX H

the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300, or a successor provision;

13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-0900, or a successor provision; or
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to Chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)